WELLNESS, SLEEP AND CIRCADIAN NETWORK, INC.

FINANCIAL STATEMENTS AND INDEPENDENT AUDITOR'S REPORT

JUNE 30, 2025

WELLNESS, SLEEP AND CIRCADIAN NETWORK, INC.
(Formerly American Sleep Apnea Association, Inc.)

FINANCIAL STATEMENTS

JUNE 30, 2025

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June 30, 2026

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
Wellness, Sleep and Circadian Network, Inc.
Washington, DC

Opinion

I have audited the accompanying financial statements of Wellness, Sleep and Circadian Network, Inc. (Formerly American Sleep Apnea Association, Inc.), which comprise the statement of financial position as of June 30, 2025, and the related statements of activities, and cash flows for the year then ended, and the related notes to the financial statements.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Wellness, Sleep and Circadian Network, Inc. as of June 30, 2025 and the changes in its net assets, functional expenses, and cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

I conducted my audit in accordance with auditing standards generally accepted in the United States of America. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am required to be independent of Wellness, Sleep and Circadian Network, Inc. and to meet other ethical responsibilities relating to my audit. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Wellness, Sleep and Circadian Network, Inc.'s ability to continue as a going concern within one year after the date the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

My objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery and intentional omissions, misrepresentations or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, I:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Wellness, Sleep and Circadian Network, Inc.'s internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in my judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Wellness, Sleep and Circadian Network, Inc.'s ability to continue as a going concern for a reasonable period of time.

I am required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that I identified during the audit.

Joseph J. Schmelzle
Certified Public Accountant

WELLNESS, SLEEP AND CIRCADIAN NETWORK, INC.
(Formerly American Sleep Apnea Association, Inc.)

STATEMENT OF FINANCIAL POSITION

JUNE 30, 2025

ASSETS

Current assets:	
Cash and equivalents	$ 219,098
Investments (Notes 2e and 6)	5,004,146
Accounts receivable	436
Accrued investment income	5,779
Employees receivable	170
Prepaid expenses	30,130
Total current assets	5,259,759
Fixed assets (Note 2b):	
Furnishings and equipment	50,010
Software	397,008
	447,018
Less: Accumulated depreciation	122,272
Net fixed assets	324,746
Total assets	$5,584,505

LIABILITIES AND NET ASSETS

Current liabilities:	
Accounts payable	$ 82,281
Accrued payroll and withholdings	25,387
Total current liabilities	107,668
Net assets:	
Without restrictions	5,461,605
With restrictions (Note 5)	15,232
Total net assets	5,476,837
Total liabilities and net assets	$5,584,505

See accompanying notes to financial statements.

WELLNESS, SLEEP AND CIRCADIAN NETWORK, INC.
(Formerly American Sleep Apnea Association, Inc.)

STATEMENT OF ACTIVITIES

YEAR ENDED JUNE 30, 2025

	Without Restrictions	With Restrictions	Total
Revenue and support:			
Contributions	$ 8,088	$ 500	$ 8,588
Program fees	211,652	-	211,652
Investment income, net of expenses of 17,831	595,503	-	595,503
Miscellaneous	16,833	-	16,833
Net assets released due to satisfaction of program restrictions (Note 4)	112,148	(112,148)	-
Total revenue and support	944,224	(111,648)	832,576
Expenses (Note 2d):			
Program activities:			
Community programs	147,191	-	147,191
Education	308,106	-	308,106
CPAP Assistance	294,397	-	294,397
Research	111,144	-	111,144
Total program activities	860,838	-	860,838
Supporting activities:			
Management and general	281,823	-	281,823
Development	2,991	-	2,991
Total supporting activities	284,814	-	284,814
Total expenses	1,145,652	-	1,145,652
Change in net assets	(201,428)	(111,648)	(313,076)
Net assets at beginning of year	5,663,033	126,880	5,789,913
Net assets at end of year	$5,461,605	$ 15,232	$5,476,837

See accompanying notes to financial statements.

WELLNESS, SLEEP AND CIRCADIAN NETWORK, INC.
(Formerly American Sleep Apnea Association, Inc.)

STATEMENT OF FUNCTIONAL EXPENSES

YEAR ENDED JUNE 30, 2025

	Program Activities	Supporting Activities: Management and General	Supporting Activities: Development	Total Expenses
Postage and shipping	$ 24,093	$ 18	$ -	$ 24,111
Computer services	26,417	833	8	27,258
Supplies	3,395	286	1	3,682
Website services	22,999	17	-	23,016
Conferences and meetings	10,625	7,454	-	18,079
Travel	23,334	9,645	-	32,979
Salaries	352,677	52,855	109	405,641
Payroll taxes	32,417	4,323	26	36,766
Employee benefits	19,714	1,906	4	21,624
Bank and merchant fees	7,296	178	194	7,668
Contract fees and consultants	214,435	125,931	-	340,366
Miscellaneous	4,201	12,652	696	17,549
Depreciation	40,995	6,305	58	47,358
Insurance	32,243	1,419	12	33,674
Rent	15,473	161	2	15,636
Telephone	7,153	1,568	15	8,736
Dues and subscriptions	576	7	1,866	2,449
Professional fees	2,795	56,265	-	59,060
Sponsorship fees	20,000	-	-	20,000
Total	$860,838	$281,823	$2,991	$1,145,652

See accompanying notes to financial statements.

WELLNESS, SLEEP AND CIRCADIAN NETWORK, INC.
(Formerly American Sleep Apnea Association, Inc.)

STATEMENT OF CASH FLOWS

YEAR ENDED JUNE 30, 2025

Cash flows from operating activities:	
Reconciliation of change in net assets to net cash used for operating activities:	
Change in net assets	$ (313,076)
Noncash revenue and expenses included in operations:	
Gain from sale of investments	(5,717)
Unrealized gains from investments	(433,348)
Amortization of bond discounts	(25,459)
Depreciation	47,358
Increase in accrued investment income	(344)
Decrease in grant receivable	125,000
Decrease in prepaid expenses	13,489
Increase in accounts payable	22,376
Decrease in accrued payroll and withholdings	(3,128)
Decrease in employee receivable	10,253
Net cash used for operating activities	(562,596)
Cash flows from investing activities:	
Software enhancements	(190,749)
Purchase of equipment	(2,860)
Purchase of investment securities	(1,292,374)
Sales and maturity of investment securities	1,500,814
Net cash provided by investing activities	14,831
Net change in cash and equivalents	(547,765)
Cash and equivalents:	
Beginning of year	766,863
End of year	$ 219,098

See accompanying notes to financial statements.

WELLNESS, SLEEP AND CIRCADIAN NETWORK, INC.
(Formerly American Sleep Apnea Association, Inc.)

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2025

Note 1. Organization and Business

Wellness, Sleep and Circadian Network, Inc. (WSCN) is a nonprofit organization whose mission is to bridge the gap between day and night as the global "KNOWLEDGE HUB" driving impact by translating cutting edge sleep and circadian science into practical tools that empower people to sleep better, live better, and thrive across all 24 hours.

Note 2. Summary of Significant Accounting Policies

a. Method of Accounting - The financial statements have been prepared using the accrual basis of accounting, which requires estimates and assumptions by management that may differ from actual results. WSCN's liquidity reflects its current assets at June 30, 2025.

b. Fixed Assets - Fixed assets are included in the statement of financial position at cost, and depreciation is computed on the straight-line basis using estimated useful lives of three to five years.

c. Grants - Grants are reported as revenue in the year unconditionally promised. Grants received for restricted purposes are reported as restricted until the restriction expires. When the restriction expires, these net assets are reclassified as net assets without restrictions and reported in the statement of activities as net assets released due to satisfaction of program restrictions or returned to the donor.

d. Expenses - Expenses are generally either directly charged to one or more program or supporting activity or allocated to all program or supporting activities based principally on estimated effort on behalf of each program or supporting activity during the period the expenses were incurred.

e. Investments - Investments are available for sale and reported at fair market value, which is cost for short-term investment funds and quoted market price from public exchanges for all other investments. Short-term investments of three months or less are treated as cash equivalents.

Subsequent events have been evaluated through June 30, 2026.

Note 3. Income Tax Status

WSCN is exempt from Federal income taxes under Section 501(c)(3) of the Internal Revenue Code. Accordingly, these financial statements have no provision for income taxes.

Note 4. Satisfaction of Restricted Activities

Net assets were released from donor restrictions during the year ended June 30, 2025 by incurring expenses satisfying the restricted purposes for the following programs:

CPAP Assistance	$ 1,590
Research	110,558
	$112,148

Note 5. Net Assets with Restrictions

WSCN maintains restricted net assets that will be used when program expenses are incurred in connection with these activities. At June 30, 2025, WSCN maintained restricted net assets for the following programs:

SAPCON-PCORI	$ 5,157
Education	10,050
CPAP Assistance	25
	$15,232

Note 6. Investments

A summary of investments held at June 30, 2025 as reported at fair market value from quoted exchange prices is as follows:

Bond and Bond Funds	$1,638,685
Real Estate Funds	139,223
Equity Index Fund	3,226,238
	$5,004,146

Note 7. Related Party Transactions

WSCN engaged a family member of an employee for software and consulting services and paid the member $124,203 as a contractor for the year ended June 30, 2025.

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June 30, 2026

INDEPENDENT AUDITOR'S REPORT ON ADDITIONAL INFORMATION

To the Board of Directors of
Wellness, Sleep and Circadian Network, Inc.
Washington, DC

I have audited the financial statements of Wellness, Sleep and Circadian Network, Inc. as of and for the year ended June 30, 2025 and have issued my report thereon, dated April 22, 2026, which contained an unmodified opinion on those financial statements. My audit was performed for the purpose of forming an opinion on the financial statements as a whole.

The schedule of program activities is presented for the purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from, and relates directly to, the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Joseph J. Schmelzle
Certified Public Accountant

WELLNESS, SLEEP AND CIRCADIAN NETWORK, INC.

SCHEDULE OF PROGRAM ACTIVITIES

YEAR ENDED JUNE 30, 2025

	Community Programs	Education	CPAP Assistance	Research	Total
Postage and shipping	$ 11	$ 101	$ 23,946	$ 35	$ 24,093
Computer services	2,721	21,714	1,035	947	26,417
Supplies	204	1,222	1,880	89	3,395
Website services	7,386	15,396	84	133	22,999
Conferences and meetings	1,633	8,884	108	-	10,625
Travel	374	20,033	2,927	-	23,334
Salaries	55,279	85,463	158,741	53,194	352,677
Payroll taxes	5,430	7,001	15,686	4,300	32,417
Employee benefits	7,139	4,596	7,429	550	19,714
Bank and merchant fees	113	288	6,703	192	7,296
Contract fees and consultants	37,562	117,071	18,962	40,840	214,435
Miscellaneous	769	1,785	1,312	335	4,201
Depreciation	5,615	14,205	14,225	6,950	40,995
Insurance	958	4,766	25,026	1,493	32,243
Rent	673	259	14,363	178	15,473
Telephone	926	2,517	1,963	1,747	7,153
Dues and subscriptions	398	10	7	161	576
Professional fees	-	2,795	-	-	2,795
Sponsorship expenses	20,000	-	-	-	20,000
Total	$147,191	$308,106	$294,397	$111,144	$860,838